

TIGER

RESOURCES LIMITED

ABN 52 077 110 304

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TIGER RESOURCES MANDATES NEDBANK CAPITAL AND RMB FOR PROJECT FACILITY

HIGHLIGHTS:

- **US\$80M project debt facility**
- **Interest rate of LIBOR (London Interbank Offered Rate) plus 180 basis points**
- **Political risk coverage**

Perth, Australia, Tiger Resources Limited (ASX/TSX: TGS) is pleased to announce that after a market-wide competitive tender process it has mandated leading South African banks Nedbank Limited, acting through its Nedbank Capital division (Nedbank Capital) and Rand Merchant Bank, a division of First Rand Bank Limited (RMB) (collectively, the "Banks") to arrange a US\$80 million debt financing facility to support Stage 2 development of the Company's Kipoi Copper Project in the Democratic Republic of Congo (DRC).

Notwithstanding that the internal corporate model demonstrates that the Stage 2 SXEW at Kipoi can be funded from cashflow generated from the heavy media separation (HMS) facility, the Tiger Board has elected to appoint strategic funding partners to provide the maximum flexibility for the construction expected to commence during the March quarter 2013.

"The Company's immediate aim was to further improve the Kipoi economics by expanding the resource, complete the feasibility study, and move Stage 2 into development. It is important to note that the combined Kipoi Stage 1 and Stage 2 projects are fully funded on the basis of current average copper price projection. However, management considered it prudent to secure copper price hedging during development to ensure stability of revenue. In conjunction with this hedging, the Nedbank Capital/RMB facility will provide a funding buffer for the development of Stage 2, should this be required," Tiger Managing Director Brad Marwood said. The US\$80 million facility will be used to supplement cash flow from the existing Stage 1 HMS operation at Kipoi, where the Company is currently producing 36,000tpa of copper in concentrate, in financing the construction, development and infrastructure for the US\$150 million Stage 2 Solvent Extraction Electrowinning (SXEW) plant.

The Banks will, subject to their required internal approvals, provide the debt facility to Société de Exploitation de Kipoi SPRL (SEK), the operator of the Kipoi Copper Project and will be approaching the Export Credit Insurance Corporation of South Africa Limited (ECIC) for support for the financing. Gécamines, Tiger's joint venture partner, is currently reviewing the proposed debt facility. The facility meets the guidelines set out in the Joint Venture Agreement and approval is anticipated while the banks and ECIC undertake their due diligence processes and seek their internal approvals.

Included within the \$80m facility and subject to completion of their internal approval processes, Nedbank Capital and RMB will also jointly underwrite a \$30 million facility which will be available for drawdown in advance of final ECIC approval.

The financing facility moves Tiger toward its goal of becoming a +50,000tpa cathode copper producer at Kipoi. Stage 2 production at Kipoi is due to start in 2014.

Mr Marwood said the positive response received from major financial institutions to the tender process reflected the robustness of the Kipoi Project.

“The tender process has been well orchestrated with very competitive offers. We are delighted to have received term sheets with an interest rate of LIBOR plus an indicative 180 basis points subject to final agreement by ECIC, Mr Marwood said.

“We are pleased to have selected Nedbank Capital and RMB to implement our financing plan. We look forward to working with Nedbank Capital, RMB and ECIC as commercial partners in our DRC business.

“The facilities will stand behind the cash flows generated by the existing Kipoi Stage 1 HMS operation and, based on the DFS results and the current consensus outlook for the copper price, will provide a prudent buffer in financing the Stage 2 development.

“A further benefit of the debt facility will be the provision of 25% hedging of HMS production (approximately 13,000t Cu) and early SXEW production (approximately 30,000t Cu over first 3 years of production). This will stabilise cash flows and returns, thereby further reducing risk of the project development plan.”

Nedbank Capital and RMB are leaders in African mining finance and their teams bring a wealth of experience in mining and metals and financing of projects, with complementary skills in export credit finance, commodity derivatives and investment banking.